



**American
Forest & Paper
Association**

March 11, 2019

The Honorable Christine Cohen, Chair
Committee on the Environment
The Connecticut General Assembly
Legislative Office Building
Hartford, CT 06106-1591

The Honorable Mike Demicco, Chair
Committee on the Environment
The Connecticut General Assembly
Legislative Office Building
Hartford, CT 06106-1591

RE: Raised Bill 7295- An Act Concerning a Recycling Program for Paper and Packaging and Requiring Certain Municipal Solid Waste Management Goals

Dear Senator Cohen, Representative Demicco and Members of the Environment Committee:

On behalf of the American Forest & Paper Association (AF&PA)¹, we appreciate the opportunity to share our perspective on legislation under consideration by the Committee on the Act Concerning a Recycling Program for Paper and Packaging. We oppose HB 7295 and urge the committee to promote existing community recycling programs and engage manufacturers and industry experts in discussions on further increasing recovery. AF&PA shares Connecticut's goals of increasing paper and packaging recovery rates, however we have serious concerns with this bill which seeks the creation of an extended producer responsibility (EPR) program and **we respectfully ask that the Committee oppose HB 7295.**

The bill calls for the development of a state-wide packaging and paper recycling program. The program would require producer-financed end-of-life management, and litter and marine debris abatement, for paper and packaging. The bill also requires the identification of producers and a fee structure to support the program's procedures to promote and maintain collection and recycling of the postconsumer product and to track the progress of the program. The paper and paper-based packaging industry has essentially already achieved all of these requirements on a voluntary basis and a government mandated state-based program could derail the progress.

Paper is a Leader in Voluntary Recovery

The paper and paper-based packaging industry's commitment to maximizing recovery of its products for recycling is real and longstanding. In 1990, the recovery rate was a little more than one-third (33.5 percent) of the paper consumed in the United States. By 2017, thanks to voluntary industry initiatives and the millions of Americans who recycle at home, work and school every day, the recovery rate has nearly doubled (65.8 percent).

Paper recovery is an environmental success story, saving an average of 3.3 cubic yards of landfill space for each ton of paper recycled. Thanks to the continuing efforts of AF&PA members and the millions of individuals who recycle at home, work and school every day, the paper and packaging industry has achieved a consistently high recovery rate. In 2017, 65.8 percent of all paper consumed in the U.S. was recovered for recycling, and the recovery rate has met or exceeded 63 percent for the past nine years.

Paper recovery has fostered a well-developed and dynamic marketplace that allows recovered fiber to find its highest value end use in manufacturing new products. That, in turn, helps encourage more recycling which part of why paper is the most-recycled material in the U.S. today. According to the U.S. Environmental Protection Agency, more paper (by weight) is recovered for recycling from municipal solid waste streams than glass, plastic, steel and aluminum combined. Ninety-six percent of the U.S. population had access to community curbside and/or drop-off paper recycling services, according to the most recent (2014) survey of communities.ⁱⁱ Based on results from the 2014 Community Access Survey, 100% of Connecticut residents have access to community curbside and drop-off recycling programs for paper and paperboard.

Paper can be a model for other industries in terms of performance and attitude. The paper and paper-based packaging industry has set and met goals established on a voluntary basis, and publicly reported on performance. The industry remains open to working with others in the private and public sectors to maximize paper recovery, which has been part of our thinking as we have nearly doubled our recovery rate in the last 20 years. Governments can help support this market success by avoiding mandates and arbitrary rules that disrupt the current recovery system.

EPR Schemes Are Not the Answer

Consistently high recovery rates, a well-established infrastructure already in place to collect and process paper products, and the industry's ongoing efforts to increase voluntary recovery, make mandates like EPR on paper and paper-based packaging unnecessary. Creating a state-administered board to control the flow of materials subject to an EPR program will disrupt dynamic, complex and efficient markets for recovered fiber, likely resulting in less fiber recovered for recycling and substantial additional administrative costs that will eventually be paid by consumers or taxpayers.

For paper and paper-based packaging, EPR could prove to be harmful or even counterproductive. The life path of paper-based packaging is not contained in one state. For instance, a box could be made in one state and then breakfast cereal put into that box in a second state. The cereal is sold in a third state to a consumer living in a fourth state. It is hard to imagine logistically how a producer or brand owner could be required to pay fees on the products it introduces into a global commerce stream.

Eventually, the practical ceiling for recovery of paper and paper-based packaging for the purpose of recycling will be achieved. Some things just cannot be recycled, such as tissue, used napkins, and toilet paper. To impose an EPR scheme in hopes of marginal gains actually could be cost prohibitive and at the detriment of the success we have achieved.

AF&PA supports the continued development and promotion of proven best practices that will leverage the existing investments in recovery. Widespread adoption of these best practices for recovery (including efficient collection systems, an optimized processing infrastructure, effective education and communications, and appropriate support mechanisms) will contribute to the recovery success sought. Where there is already a well-developed infrastructure for collecting paper and paper-based packaging in place, Connecticut should seek to increase consumer education to drive increased participation across the entire supply chain. At a minimum, these best practices should be implemented before any consideration is given to approaches such as EPR that, in fact, will disrupt the solid recovery foundation Connecticut communities and their private sector partners already have built.

Task Force to Study Methods for Reducing Consumer Packaging

Following testimony and debate around Senate Bill 233 in 2016, the Committee created a consumer packaging task force to study methods for reducing consumer packaging that generates solid waste. That task force met multiple times in 2017 and AF&PA participated in many of those meetings, including filing comments and giving a presentation on paper and packaging recycling to the group. The majority finding of the task force was that while there are potential programs that could be undertaken by the state to support their Solid Waste Reduction, EPR for paper and packaging was not recommended, stating:

“Extended producer responsibility for consumer packaging creates a recycling monopoly through its producer responsibility group. That organization will disrupt Connecticut’s existing infrastructure in an attempt to “rationalize” it without providing efficiency or cost benefits for existing recycling businesses. Connecticut recycling businesses are likely to go out of business because they cannot compete with this monopoly. Connecticut residents and taxpayers will suffer higher costs without receiving greater benefits. For consumer packaging – the traditional recyclables mandated for collection in Connecticut – extended producer responsibility is a solution in search of a problem.”ⁱⁱⁱ

The time and efforts of the task force to conduct those meetings and the results of the final report should be carefully reviewed and taken into consideration before the Committee makes a determination on a bill that closely follows the language of SB 233-2016.

Conclusion

AF&PA believes that responsibility for materials recovery must be shared across the entire supply chain and include consumers. The paper industry is doing its part by meeting or exceeding voluntary recovery goals for our products. We urge you to consider promoting increased participation in community recycling programs as an alternative to the proposed bill. We hope that by sharing this information, the legislation drafted to regulate the production and use of paper and packaging will be based on sound policy to the benefit of the environment and best practices for doing business in the state.

We thank the Committee for their consideration on this important matter and encourage the Committee to avoid measures that penalize Connecticut industries for doing business in the state. As always, we stand ready to assist you and offer our expertise as a resource as you shape policy on this important issue. For additional information, please contact Abigail Sztein, Director, Government Affairs, AF&PA at (202) 463-2596 or abigail_sztein@afandpa.org.

Sincerely,



Elizabeth Bartheld
Vice President, Government Affairs

ⁱ The American Forest & Paper Association (AF&PA) serves to advance a sustainable U.S. pulp, paper, packaging, tissue and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry’s sustainability initiative - *Better Practices, Better*

Planet 2020. The forest products industry accounts for approximately four percent of the total U.S. manufacturing GDP, manufactures nearly \$300 billion in products annually and employs approximately 950,000 men and women. The industry meets a payroll of approximately \$55 billion annually and is among the top 10 manufacturing sector employers in 45 states.

In Connecticut, the industry employs more than 5,100 individuals, with an annual payroll of over \$320 million. The estimated state and local taxes paid by the forest products industry totals \$38 million annually.

ⁱⁱ <http://paperrecycles.org/sustainability/2014-af-pa-community-access-survey>

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https://www.cga.ct.gov/env/tfs/20170216_Task%20Force%20to%20Study%20Methods%20for%20Reducing%20Consumer%20Packaging%20that%20Generates%20Solid%20Waste/Final%20Report/Task%20Force%20to%20Study%20Methods%20for%20Reducing%20Consumer%20Packaging%20that%20Generates%20Solid%20Waste%20-%20Final%20Report.pdf